

ORIGINAL

BEFORE THE
Federal Communications Commission
WASHINGTON, D. C. 20554

In re Application of)
)
PINE TREE MEDIA, INC.)
KARW(AM), Longview, Texas)
)
For Renewal of License)

MM Docket No. 93-265

File No. BR-900817UF

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JUL - 5 1995

TO: Honorable John M. Frysiak
Administrative Law Judge

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF SECRETARY

PROPOSED FINDINGS OF FACT
AND
CONCLUSIONS OF LAW

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SUMMARY

This is the "Proposed Findings of Fact and Conclusions of Law" required by Sections 1.263 and 1.264 of the Commission's Rules and by the directive of the presiding ALJ in this case.

This document shows that the equities of the record in this case require that the license of KARW be renewed subject to Praise filing an application on FCC Form 314 for assignment of the license of KARW to it which would be handled by the Commission's processing line. None of the six substantive issues, taken by itself, can serve as sufficient grounds for the revocation of or failure to renew the KARW license. Praise is a minority-owned company. Praise has injected some \$180,000.00 into an attempt to make a go of KARW. Were the KARW renewal application to be denied, this investment would be lost. FCC policy set down by Chairman Reed Hundt is to make sure that African-Americans have fair opportunities in the communications industry. An action in this case favorable to Praise Media, Inc. would be consonant with that policy.

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**PROPOSED FINDINGS OF FACT
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CONCLUSIONS OF LAW**

Praise Media, Inc. (Praise), by its attorney, and pursuant to Sections 1.263 and 1.264 of the Commission's Rules, hereby respectfully submits these Proposed Findings of Fact and Conclusions of Law in the above-entitled matter. In so doing, the following is shown:

I. PRELIMINARY STATEMENT

1. The above-captioned application was designated for hearing by a *Hearing Designation Order and Notice of Forfeiture* adopted by the Commission *en banc* on October 7, 1993. **Pine Tree Media, Inc.**, 8 FCC Rcd 7591 (released October 25, 1993). By Order of the Chief Administrative Law

Judge released October 28, 1993, FCC 93M-680, the Honorable John M. Frisk was designated as presiding Administrative Law Judge (ALJ) in this matter.

2. Pine Tree Media, Inc. (Pine Tree) never filed a "Notice of Appearance" or otherwise participated in the above-entitled proceeding. Praise, seeking status as a party-in-interest, sought to participate in this docket. By Order released February 24, 1994, FCC 94M-90, the ALJ denied Praise's motion to intervene and dismissed the Pine Tree application. Praise filed an appeal of this ruling; by *Memorandum Opinion and Order* released June 17, 1994, FCC 94R-8, the Review Board granted Praise's appeal, conferred 47 U.S.C. §309(e) "party-in-interest" status upon Praise, and remanded the case to the ALJ for a hearing. **Pine Tree Media, Inc.**, 9 FCC Rcd 2770 (Rev. Bd. 1994).

3. The *Hearing Designation Order and Notice of Forfeiture* specified the following issues against Pine Tree (see *HDO* at ¶13):

- 1) To determine whether one or more unauthorized transfers of control of Pine Tree Media, Inc. occurred in violation of Section 310(d) of the Communications Act of 1934, as amended, and Section 73.3540 and/or Section 73.3541 of the Commission's Rules.

2) To determine whether Pine Tree Media, Inc. and/or persons acting on its behalf misrepresented facts in the station's 1990 renewal application.

3) To determine whether Pine Tree Media, Inc. and/or persons acting on its behalf violated Section 73.1015 of the Commission's Rules by failing to respond fully to Commission correspondence dated September 9, 1992, September 23, 1992, December 3, 1992 and/or February 10, 1993.

4) To determine whether Station KARW is in compliance with the following Commission rules: Section 1.1307(b) (environmental assessment); Sections 17.21 through 17.23 (tower painting); Section 73.932 (emergency broadcast equipment); 73.1745(a) (transmitter power); Sections 73.1800 and 73.1820 (station logs); and 73.3526 (public file).

5) To determine, in light of the evidence adduced pursuant to the foregoing issues, whether the application of Pine Tree Media, Inc. for renewal of license of Station KARW should be granted.

By Order of the ALJ released March 2, 1995, FCC 95M-64, the following additional issues were specified against Pine Tree:

6) To determine whether Pine Tree has the capability and intent to expeditiously resume broadcast operations of KARW(AM) consistent with the Commission's Rules;

7) To determine whether Pine Tree has violated §73.1740 and/or §73.1750 of the Commission's Rules; and

8) To determine, in light of the evidence adduced pursuant to the foregoing issues, whether

Pine Tree is qualified to be and remain the licensee of Station KARW(AM).

4. With respect to issues 1) through 5), the *HDO* placed the burdens of proceeding and proof "upon Pine Tree Media, Inc., its successors or assigns and/or those persons now in control of Pine Tree Media, Inc., as appropriate". *HDO* at ¶16. The March 2, 1995 order specifying issues 6) - 8) did not assign burdens or either proceeding or proof. The *HDO* named American Plastics, H. E. Ferrell and Robert Dub Murray as parties to the proceeding. *HDO* at ¶17. As noted above, the Review Board named Praise as a party to the proceeding. 9 FCC Rcd 2770, at ¶16.

5. The *HDO*, at ¶14, also provided the following notice to the parties to the above-captioned proceeding:

IT IS FURTHER ORDERED, that, if the hearing record does not warrant an Order denying the renewal application for Station KARW, it shall also be determined if Pine Tree Media, Inc., its successors or assigns, and/or those persons now in control of Pine Tree Media, Inc., American Plastics, and/or H.E. Ferrell and Robert Dub Murray, have willfully or repeatedly violated Section 310 of the Communications Act of 1934, as amended, and/or Sections 1.1307, 17.21 through 17.23, 73.932, 73.1015, 73.1800 and 73.1820, 73.3526, and/or 73.3540 and 73.3541 of the Commission's Rules. If so, it shall also be determined whether Orders for Forfeiture shall be issued pursuant to Section 503(b) of the Communications Act of 1934, as amended, in an amount up to \$250,000 for the willful or repeated violations of Section 310 of the Communications

Act of 1934, as amended, and/or Sections 1.1307, 17.21 through 17.23, 73.932, 73.1015, 73.1800 and 73.1820, 73.3526, and/or 73.3540 and 73.3541 of the Commission's Rules, which occurred or continued within the applicable statute of limitations.

6. Hearing conferences were held in the above-entitled matter on January 11, 1994, January 24, 1994, July 11, 1994 and February 28, 1995. Hearing sessions at which Ms. M. Janet Washington, President of Praise, gave oral testimony, were held at the Commission's offices in Washington, D. C. on March 21 and 22, 1995. Upon the completion of the March 22 hearing session the record was closed with an exception granted to the Mass Media Bureau to introduce into evidence certain documents which Praise was ordered at the hearing sessions to produce. Order, FCC 95-89, released March 28, 1995. Praise produced such documents as were in its possession, custody or control to the Bureau. On May 24, 1995, an evidentiary admissions hearing was held at which the Bureau sought to introduce into evidence the documents produced by Praise. At the conclusion of the May 24 hearing session the record was closed; the parties were ordered to file "Proposed Findings of Fact and Conclusions of Law" on or before July 5, 1995 and a "Reply" on or before July 19, 1995. Order, FCC 95M-132, released May 26, 1995.

II. PROPOSED FINDINGS OF FACT

A. Janet Washington

7. The sole active officer, director and shareholder of Praise Media, Inc. is Janet Washington (see Certification accompanying Praise Exs. 1-6). She is an African-American female, born on April 20, 1958 in Jasper, Texas. Ms. Washington received her high school diploma on May 29, 1976. She attended 3½ years of college at Texas Southern University between 1976 and 1980, but did not receive a degree. She is a certified pharmacy technician and a certified heart monitor technician. She has a five-year-old son, Amir Rasheed Washington. She married Eugene Washington (a/k/a Sharif Shabazz) on January 12, 1989, but has been separated from him since early 1990. As of both the exhibit exchange on October 5, 1994 and the hearing session on March 21, 1995, Ms. Washington resided in Longview, Texas¹ (Praise Ex. 1, p. 1; Tr. 38).

8. Ms. Washington's full-time employment history is as follows: in 1977-78, St. Joseph Hospital Pharmacy,

¹Ms. Washington has since moved to Center, Texas, which is located about 60 highway miles southeast of Longview (official notice requested of Gousha's 1994 Road Atlas, p. 110 (Texas-Eastern Section)).

pharmacy courier; in 1980-87, through a temporary agency, assignments at the following companies (both full-time and part-time): General Electric (customer service assistant); Sohio Petroleum Oil Co. (seismic library); Italy in Houston (in association with the Italian Consulate, promotion of tourism in Italy); Mervyn's Department Store (cashier on a seasonal basis); Joske's Department Store (cashier on a seasonal basis); various employment in telemarketing of various products, including vacation packages, carpet cleaning, etc.; Memorial City Hospital Pharmacy (administrative technician); Park Plaza Hospital Pharmacy (medication technician); Methodist Hospital Pharmacy (cardiovascular intensive care technical); St. Luke Hospital Pharmacy (medication technician); Veterans Hospital Pharmacy (medication technician); from January to March, 1990, Goodwill Industries (store manager); from March to August, 1990, County Judges' Office (administrative assistant); August, 1990 to August 12, 1992, Good Shepherd Hospital Owen Pharmacy (pharmacy tech); March, 1991 to August 9, 1992, Rader Funeral Home Rose Wood Park (telemarketer); and from August, 1992 to October, 1994, Radio Station KARW, Longview, Texas (general manager). (Praise Ex. 1, pp. 1-2).

B. Ownership Structure of Praise

9. On March 19, 1992 Praise was incorporated in the state of Texas. Initially, Eugene Washington was President, Ray Lee Williams was Vice-President and Janet Washington was Treasurer. Although the company never issued any stock certificates, the planned ownership structure was for Mr. Washington to own 60 percent of Praise, Ms. Washington to own 15 percent of Praise, and Williams to own 25 percent upon contributing cash or allowing the station to retain his commissions for any advertising sales made by him. Williams made no cash contributions under either option, and he is no longer considered a Praise shareholder. Mr. Williams was voted out of his position as Vice-President in December, 1992. Janet Washington and Eugene Washington are the only persons to have contributed money or other consideration to Praise as equity capital (Praise Ex. 3, p. 1).

10. At present, Ms. Washington is the only active owned, officer or director of Praise. Mr. Washington was incarcerated on drug charges² (Praise Ex. 3, p. 1). On July 22, 1994 he gave to Ms. Washington a "Power of Attorney"

²Case No. 94CR339-1, U. S. District Court for the Northern District of Illinois (Praise Ex. 3, p. 1).

giving her plenary authority over his property situated *inter alia* in Longview, Gregg County, Texas, and Mr. Washington

further specially authorize[d] my attorney JANET WASHINGTON to operate and conduct the business of Praise Media, Inc. and KARW A.M. Radio Station, situated in Longview, Gregg County, Texas, with all the authority to do and perform all and every act and thing whatsoever requisite and necessary to be done in and about the premises as fully to all intents and purposes as I might or could do if personally present.

(Praise Ex. 12, p. 2). A quitclaim deed was filed in Gregg County, Texas conveying Mr. Washington's interest in the station to Ms. Washington (Tr. 71-72), and Mr. Washington is being formally removed as an officer of Praise (Praise Ex. 3, p. 1, Tr. 72).

C. Transfer of Control of KARW

11. The licensee of record for Station KARW is Pine Tree Media, Inc. ("Pine Tree"). On November 10, 1988, the Commission granted an application to transfer control of Pine Tree from Herbert Wren and Earl Jones to Kenneth Tuck (File No. BTC-880930EG). Tuck, Wren and Jones reportedly consummated the transfer on December 12, 1988³ (Bureau Exs.

³Footnote 2 to the HDO states: Tuck never filed an ownership report (FCC Form 323) with the Commission to confirm consummation of the transfer of control.

1-2, Admissions 1, 2 and 3). The Commission's records do not reflect that Tuck filed an ownership report on FCC Form 323 to confirm the consummation of said transfer (Bureau Exs. 1-2, Admission 4).

12. On August 17, 1990, an application for renewal of license was filed for the station. The application showed that it was filed on behalf of "KLGW-Ken Tuck-Pine Tree Media, Inc." The application was signed by Robert D. Murray, general manager. However, according to the Commission's records, Murray is not an officer or director of Pine Tree (Bureau Exs. 1-2, Admissions 5, 6 and 7). Ken Tuck died in May, 1990 (Bureau Exs. 1-2, Admission 8).

13. In response to a complaint, Commission personnel subsequently inspected the station on December 4, 5 and 6, 1990 (HDO at ¶4; Bureau Exs. 1-2, Admission 37). The inspection disclosed that the station was being operated by Messrs. H.E. Ferrell and Dub Murray on behalf of an entity identified as American Plastics (Id., Admission 38). Documents at the station indicated that Ferrell and Murray paid employee wages and station utilities. Commission personnel learned that Tuck had died in May 1990, and that the lien which Wren and Jones had held with respect to a note made by Tuck in payment for the station had been

transferred on May 17, 1990, to American Plastics (HDO at ¶4). The inspection further revealed that the station's public file did not contain any materials concerning station activities subsequent to 1988, including the station's 1990 renewal application; that the tower needed painting; that the station had no operating logs; that the station had not properly maintained its Emergency Broadcast System equipment or assured that such equipment was functioning; and that the station may have operated with excessive power during nighttime hours (Bureau Exs. 1-2, Admission 39).

14. American Plastics foreclosed on the assets securing its note on or about July 3, 1990 (Praise Ex. 2, p. 1; Bureau Ex. 1, Attachment 3). The assets securing the note included the real and personal property associated with the station and the stock of Pine Tree (Praise Ex. 2, p. 1 and Attachment A).

15. On August 6, 1991, Wren and Jones foreclosed on the above-referenced note issued to them by American Plastics and thereby reacquired the assets securing that note, including the stock of Pine Tree, and the real and personal property associated with the station (Praise Ex. 2, pp. 1-2 and Attachment B; Bureau Ex. 1, Attachment 4).

16. In September, 1991, Janet Washington met Ray Lee Williams, who was at the time employed at KARW, who was at the time employed at KARW and was looking for a partner to help finance the acquisition of KARW from Wren and Jones. MS. Washington initially called the station to speak to a Mr. Tuck as part of her job in telemarketing for a funeral home. At the time, Ms. Washington had no knowledge of Mr. Tuck, but was only given his name as a potential buyer in connection with her telemarketing job. She spoke with Mr. Williams who identified himself as the station's general manager. Mr. Williams offered her a job selling time for the station (Praise Ex. 2, p. 2).

17. Ms. Washington's initial contact with Mr. Williams led to discussions with him concerning an effort to form a group to buy station KARW which Mr. Williams indicated was for sale. Ms. Washington, as a single parent and having an extensive work history, was looking for an investment opportunity at the time, and thought the investment in the station was promising. Although Ms. Washington had no prior broadcast experience and no experience as the owner or manager of any business, she paid \$6,000.00 to Wren to "take the station off the market"; at the time Ms. Washington was under the impression that other parties were interested in

purchasing the station. After discovering that Mr. Williams and another unnamed potential investor did not have their share of the down payment, and faced with the prospect of losing her initial investment, Ms. Washington requested assistance from her estranged husband, Eugene Washington, who resided in Chicago. Ms. Washington was glad for his help, because, at that time, her interest in the station was purely as an investment vehicle. She had no interest in becoming a broadcaster at that time, and only sought help from her husband to protect her \$6,000.00 investment (Praise Ex. 2, pp. 2-3).

18. In approximately September, 1991, Mr. Washington visited KARW. Ms. Washington's primary interest was in the station and in its operating license, but still only for investment purposes. Mr. Washington discussed the purchase with Mr. Wren. At the time, Mr. Wren wanted a \$20,000.00 down payment and a total purchase price of \$110,000.00. In light of the condition of the station and its facilities, including the FCC technical rule infractions which required correction, Mr. Washington was able to negotiate to pay the \$20,000.00 down payment in three installments, one of \$10,000.00 and two of \$5,000.00 (Praise Ex. 2, p. 3).

19. Mr. Washington suggested that he and Ms. Washington form a corporation to purchase the station, both to limit their liability and to provide a means by which he could oversee the situation and protect his investment. Mr. Washington was not in favor of including Mr. Williams in the purchasing group, because he did not believe Mr. Williams was qualified to be a General Manager and because Mr. Williams did not have any money to invest in the venture. Ms. Washington insisted that Mr. Williams be included, because he was the one who initiated the process and she felt that he should be given a reasonable amount of time to pay for his stake in the company. In the end, Mr. Washington capitulated and agreed to include Mr. Williams as Vice-President at Ms. Washington's suggestion. Ms. Washington's intention was to stay in Longview long enough to ensure that her investment was sound and the station was operating properly, and then move and monitor her investment without being directly involved in its day-to-day operation (Praise Ex. 2, pp. 3-4).

20. Between October, 1991 and January, 1992, Mr. and Mrs. Washington paid Mr. Wren the \$20,000.00 down payment as scheduled, and agreed to meet with Wren and his attorney shortly thereafter to draw up terms. The Washingtons paid

the entire \$20,000.00 as Mr. Williams failed to pay his share of the down payment. Mr. and Mrs. Washington and Mr. Williams met with Mr. Wren and his attorney to negotiate the terms of the sale of the station on or about February 3, 1992 (Id.).

21. During the negotiations and throughout the process whereby the transfer documents were prepared and executed, Praise and its principals were unrepresented by legal counsel. For this reason, the transfer documents do not in all respects reflect Praise's understanding of the agreement between the parties. It appears that Praise and Wren and Jones shared the belief that this transaction could be consummated without prior Commission approval (Id.).

22. At the meeting which occurred on or about February 3, 1992, Ms. Washington questioned Wren about the transfer of the license. Ms. Washington was informed by Wren that before the FCC will approve transfer of the license, the prospective assignee must demonstrate that it has capital from committed sources to cover 6 months operating expenses for the station. Because Praise did not have such sums available, Wren suggested that Praise first purchase the station by making a down payment and executing a note back to Wren and Jones for the balance of the \$110,000.00

purchase price, then pay off the note as soon as possible and borrow against the then-unencumbered station assets to obtain the necessary 6 months operating capital to secure FCC approval of the transfer of the license. Wren stated that he would execute whatever documents were necessary to secure FCC approval of the transfer of the license⁴ (Praise Ex. 2, pp. 4-5).

23. Based on these representations, Praise's understanding at the time of the purchase (February 10, 1992) was that Wren owned both the license and the station and its assets outright, and that the sale of the station could be consummated prior to requesting approval of the license transfer from the FCC. Throughout this negotiation process, Ms. Washington was unaware that the prior transactions involving the station could constitute possible unauthorized transfers of the FCC license (Praise Ex. 2, p. 5).

24. On February 10, 1992, Eugene Washington and Ray Lee Williams, acting as President and Vice-President of Praise, respectively, signed several transactional documents

⁴The principals of Praise dealt exclusively with Dr. Wren and/or his attorneys during the transaction and subsequently. Ms. Washington has never met or spoken with Mr. Jones (Praise Ex. 2, p. 5, n. 2).

evidencing the purchase of station KARW (Praise Ex. 2, p. 5; Bureau Ex. 1, Attachment 5)⁵. The transactional documents dated February 10, 1992 constituted both the purchase agreement between the parties and the consummation of that agreement. The transaction document entitled "Memorandum" states that Praise acquired all right and title to the assets of station KARW to which Wren and Jones had an interest, along with any interest Wren and Jones had in Pine Tree and the license for KARW (Id.). The Commission never approved the acquisition of KARW by Praise; Praise never filed an ownership report with the Commission subsequent to its acquisition of KARW (Bureau Exs. 1-2, Admissions 21-22). Praise did voluntarily report its acquisition of KARW to the Commission in Praise's "Opposition to Motion to Dismiss" filed February 8, 1994 (Bureau Ex. 2, response to Admission 20).

25. After closing on February 10, 1992, Praise began payment the employees of KARW; prior to that time, the "employees of KARW were not compensated by the station). Mr. Williams initially undertook the role of General

⁵These documents included a "Memorandum", "Warranty Deed", "Deed of Trust", "Vendor's Lien Note", "Bill of Sale" and "Security Agreement" (Praise Ex. 2, p. 5).

Manager. Ms. Washington was still employed by Good Shepherd Hospital in Longview working the overnight shift in the pharmacy. On many weekday mornings, Ms. Washington would stop at the station when she got off work at 7:00 a.m. to check on how the station was operating. Between February 10, 1992 and late May, 1992, Ms. Washington became increasingly concerned with the operation of the station and the personnel in management positions, most specifically Mr. Williams, whom she suspected of at least mishandling the station and its revenues, and possibly wrongfully converting some station revenues to his own use (Praise Ex. 2, p. 6).

26. In May, 1992 Ms. Washington called Mr. Washington and suggested he hire Alvin Jones, a radio consultant, to give them advice in all aspects of the operation of the radio station. Among other things, Mr. Jones reviewed the FCC's files along with Christopher Holt, an attorney who practices before the FCC⁶. In a phone conversation in mid-June, 1992, Mr. Jones and Mr. Holt informed Mr. and Mrs. Washington that there were problems with the status of the FCC license, and advised them to ask Wren to take care of

⁶Mr. Holt at the time was an attorney with the Washington firm of Mullin, Rhyne, Emmons and Topel (Tr. 297).

the license transfer immediately. At Ms. Washington's insistence, they contacted Wren to express her concern as to the transfer of the license. Wren again assured Mr. and Mrs. Washington that the license could be transferred at the time Praise paid off its note to him, and that "Judge" Miller, Wren's local attorney, could assist Praise in transferring the license. Wren also stated that Praise would need an FCC attorney at that time, and that the transfer process would require \$10,000.00 and the aforementioned 6 months operating capital (Praise Ex. 2, pp. 6-7).

27. Mr. Jones' advice also covered the operations of the station. He stated that the staff all needed training and that Mr. Williams needed training as well to function properly as general manager. He also made specific suggestions as to the operation of the station. Mr. Williams failed to implement these suggestions, and was finally removed from his position as general manager after Ms. Washington's fears that Mr. Williams was converting station funds to his use turned out to be justified⁷.

⁷On February 2, 1993, a "Corporate Memorandum" was executed by Eugene Washington stating that "Upon acquiring deed to property located at 2929 Signal Hill Drive, Longview, Texas [the KARW property], Praise

During the period before Mr. Williams ouster, Ms. Washington assumed more day-to-day functions (Praise Ex. 2, p. 7).

28. In preparation for assuming control of the station's operations, Ms. Washington visited other radio stations, such as KCOH(AM) in Houston, to learn the details of station operations. Ms. Washington finally assumed the position of full time General Manager of KARW in late 1992, a position she has held since that date. Since Ms. Washington became General Manager, she has exercised control over the station, from time to time consulting with Mr. Washington, who remained in Chicago, on important decisions. Mr. Washington increasingly deferred to Ms. Washington's judgment on station operations, eventually leaving Ms. Washington to make all decisions regarding the station, including programming, sales, hiring and firing, etc. Ms. Washington was also responsible for paying the station's bills as well as generally overseeing the station's operations (Praise Ex. 2, p. 7; Praise Ex. 3, pp. 1-2).

29. Praise has been able to pay a total of \$85,000.00 to Wren and Jones, and still owes \$25,000.00 on its note to

Media, Inc. has agreed to acquire an equity loan against the property, at which time current stockholder Ray Lee Williams will receive from Praise Media, Inc., the designated amount of five thousand dollars

them (Tr. 271). During the time that Praise operated KARW, Praise injected \$180,000.00 into the station to fund its operation. This money came from contributions by Mr. and Mrs. Washington, and from loans and gifts from others (Tr. 160-62)⁸

D. Response to FCC Correspondence

30. On September 9, 1992, the Commission sent a letter to KARW to ascertain the identity of the persons operating the station in order to determine whether an unauthorized transfer of control had occurred. The letter also requested information concerning the apparent rule violations observed by the Commission's staff during its inspection of the station. This information concerned the station's public file, operating logs, tower painting and Emergency Broadcast System equipment.⁹ A ruined brick building on the property near the station's tower needed to be demolished. On

(\$5000). This is to be considered a complete buy out of all stock owned by shareholder Ray Lee Williams" (Bureau Ex. 6).

⁸Eugene Washington provided \$50,000.00; Janet Washington provided \$40,000.00 from her "savings for my son and monies I should have used to get a house" and another \$30,000.00 from a nightclub she operated, Club Infinity; Annie White provided \$6,000.00; Ricardo Hillburn, \$16,000.00; Bishop Noel Jones, \$3,000.00; Dr. William Mitchell, \$10,000.00; Donald Grant, \$20,000 (note, Tr. 161, line 2 misspelled his first name); and Reverend Jerald, \$5,000.00 (Tr. 160-62). Dr. Mitchell's contribution was in assisting Ms. Washington in obtaining a \$10,000.00 loan from Bank One of Longview (Tr. 190-192).

⁹See HDO.

September 23, 1992, the Commission notified KARW via letter that the renewal application was incomplete, and requested a corrective response. Having received no response to the September 9, 1992 letter, the Commission again wrote to the station on December 3, 1992, to request a response to the letter of September 9, 1992, and to remind the station that failure to respond could result in administrative sanctions (Praise Ex. 4, p. 1; Bureau Exs. 1-2, Admissions 26 through 30).

31. When Ms. Washington received the FCC letter of September 9, 1992, she initially took no action on it because it was addressed to Mr. Ferrell and Pine Tree Media, Inc. and apparently related to the time period when American Plastic Products, Inc. operated the station. She placed the letter in the station's files. Mr. Jim Shook of the FCC's staff called the station to inquire as to why no response had been returned to the FCC. Ms. Washington informed him that she did not think the letter applied to her, and that she had no information regarding the operation of the station under Mr. Ferrell or American Plastic Products, Inc. Mr. Shook said that the questions needed to be answered and that if the requested information was not readily available,